

April 20, 2016

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, IN 46204

Dear Barry,

We have completed the sales ratio study for the 2016 Knox County trending. All sales that we deemed valid were used, including multi-parcel sales and land sales that have since been improved. We used sales between 1/1/15-12/31/15 for most of the county. We did feel it was necessary to use sales between 1/1/14-12/31/15 for Busseron Township, Widner Township, and all of the Residential Vacant study to better represent the current market. Based off paired sales, we did not feel it was necessary to make a time adjustment for the 2014 sales because they still represent the current market.

For the cyclical reassessment we reviewed taxing districts 001 (Busseron Township), 002 (Oaktown Town), 004 (Harrison Township), 005 (Monroe City Town), 006 (Johnson Township), 007 (Decker Town), and 023 (Vincennes Township-Vincennes S). We will look at districts 001 and 002 again in year four of the cyclical reassessment.

Residential and Ag Homesites

We grouped all of townships together for the “Res Vacant” portion of the ratio study. These areas share similar economic factors, and this allowed a broader base of sales rather than basing land rates on one or two sales. Rates were changed where necessary. We also included 2014 sales.

Also, we grouped the following townships together for the “Res Improved” portion of the ratio study:

Decker
Vigo

These townships were grouped together because they share similar economic factors. Also, trending factors have been added to help bring the median ratios closer to 1.00. Busseron, Harrison, Johnson, Palmyra, Steen, Vincennes, Washington, and Widner Townships were not grouped together with any other township.

We saw increases or decreases of more than 10% in the following areas:

Busseron Township saw a decrease of around 37% in the “Res Vac” total assessed value. This was caused by the removal of improvements to the following parcels:

42-05-35-300-002.000-001
42-07-06-300-013.000-001
42-07-08-200-004.000-001

Harrison Township “Res Vacant” saw a decrease of 38%. This drop was due to the removal of improvements. The parcels that influenced this decrease were:

42-16-07-300-007.000-004
42-16-12-407-017.000-005
42-16-24-200-005.000-004
42-17-07-400-002.000-004
42-20-09-200-008.000-004

Johnson Township “Res Vacant” saw a decrease of 29%. This was caused by the removal of an improvement. The parcel that influenced this decrease was:

42-22-10-400-007.000-006

Steen Township “Res Vacant” decreased in value around 31%. This drop was due to the removal of improvements. The following parcels are the ones that caused this decrease:

42-10-18-100-004.000-009
42-10-26-200-002.000-009
42-10-28-401-016.000-010

Vigo Township “Res Vacant” decreased around 23%. This was caused by the removal of improvements from the following parcels:

42-02-03-305-137.000-014
42-02-04-406-023.000-014
42-03-01-300-003.000-025
42-08-01-101-010.000-013
42-08-01-200-011.000-013
42-08-01-301-002.000-013
42-08-10-400-004.000-026
42-08-16-407-051.000-012
42-08-21-212-027.000-012

Commercial and Industrial

We grouped all of the Commercial and Industrial properties together. The construction types and sizes for the Commercial and Industrial properties are very similar, so these two categories were grouped together when we were developing trending factors. They are grouped that way on the ratio study as well. Trending factors were added to help bring the median ratios closer to 1.00, if they were needed at all. We used sales from 1/1/15-12/31/15 for the whole county for this part of the ratio study.

Johnson Industrial Vacant saw an increase of 31%. There was one parcel that contributed to this. It was changed from Residential Excess Acreage to Industrial Secondary and Undeveloped Useable. It is:

42-22-16-101-001.000-007

Summary

Almost all of our neighborhoods that had a representative number of sales fell within acceptable range and if they did not, we applied a factor to get them to meet IAAO standards. Any areas that didn't have a fair representation of sales were combined with an adjoining area of similar economic factors.

Sincerely,

Cathy Lane